

# COMPREHENSIVE WORKFORCE DEVELOPMENT PLAN 2017-2020



## Partnership: Building Futures

### Synopsis:

- Aggressive increase and expansion of construction trades apprenticeship programs in line with increase demand
- Focused on diversifying the ranks of construction industry with focus on women and minorities
- Strategic expansion of apprenticeship model into other industries and careers outside of construction trades.



# BUILDING FUTURES

*2017 Comprehensive Plan*





# Presentation Outline

Introduction

Context

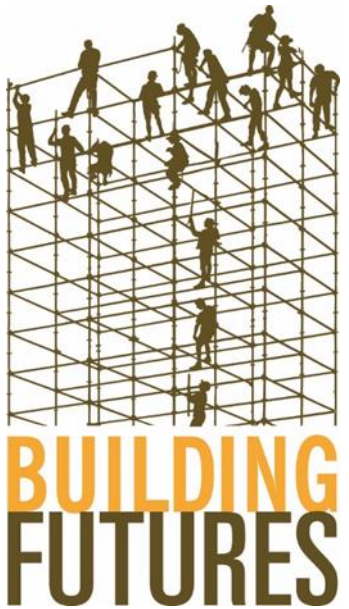
Identified Needs

Solutions to Needs

Priorities, Actions, Metrics

Resources & Funding

Closing



# Introduction

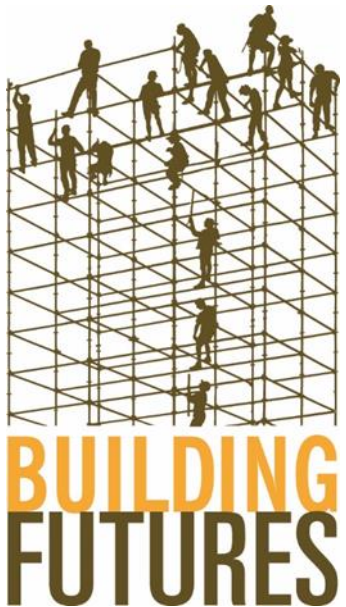
In 2007, Building Futures was formed to address the workforce development needs of the nonresidential construction industry as an initiative and market intermediary.

Our dual focus in the construction sector allows us to leverage highly effective Registered Apprenticeships – programs that combine education, training and employment.

**Supply** – Our comprehensive pre-apprenticeship program is recognized nationally for best practices.

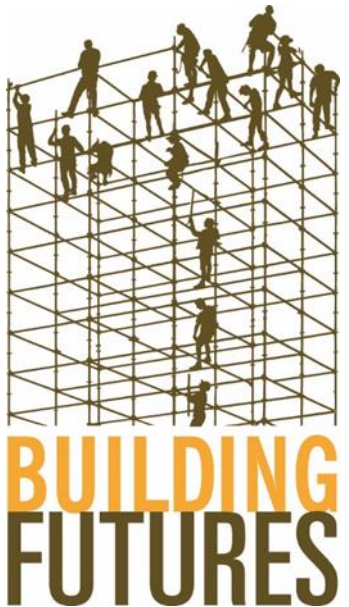
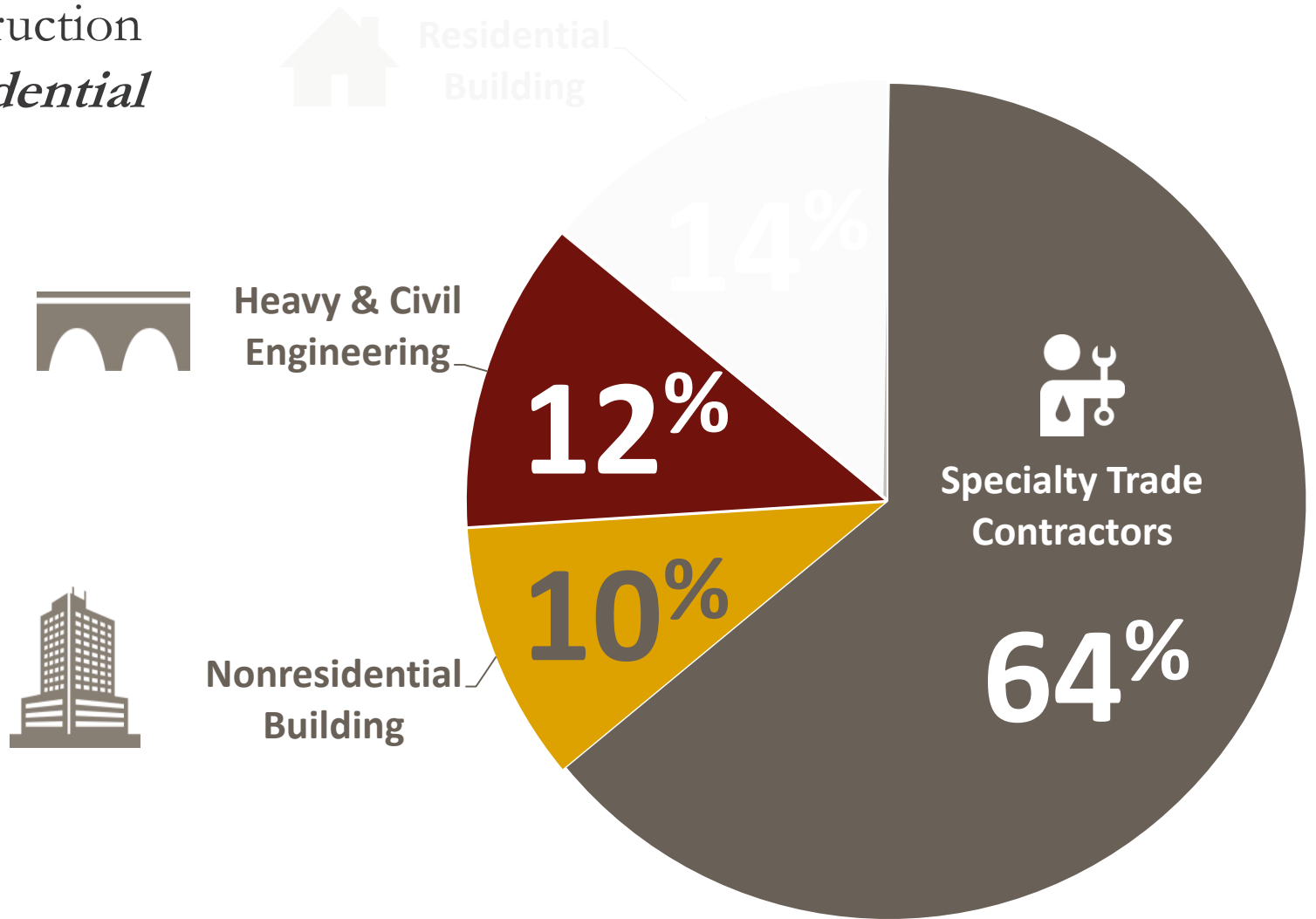
**Demand** – Our apprentice utilization program ensures employment and training to meet the needs of the construction sector.

Our intervention works for the construction industry – but we need to work faster to meet growing demand. Registered Apprenticeship is *why* our efforts work.



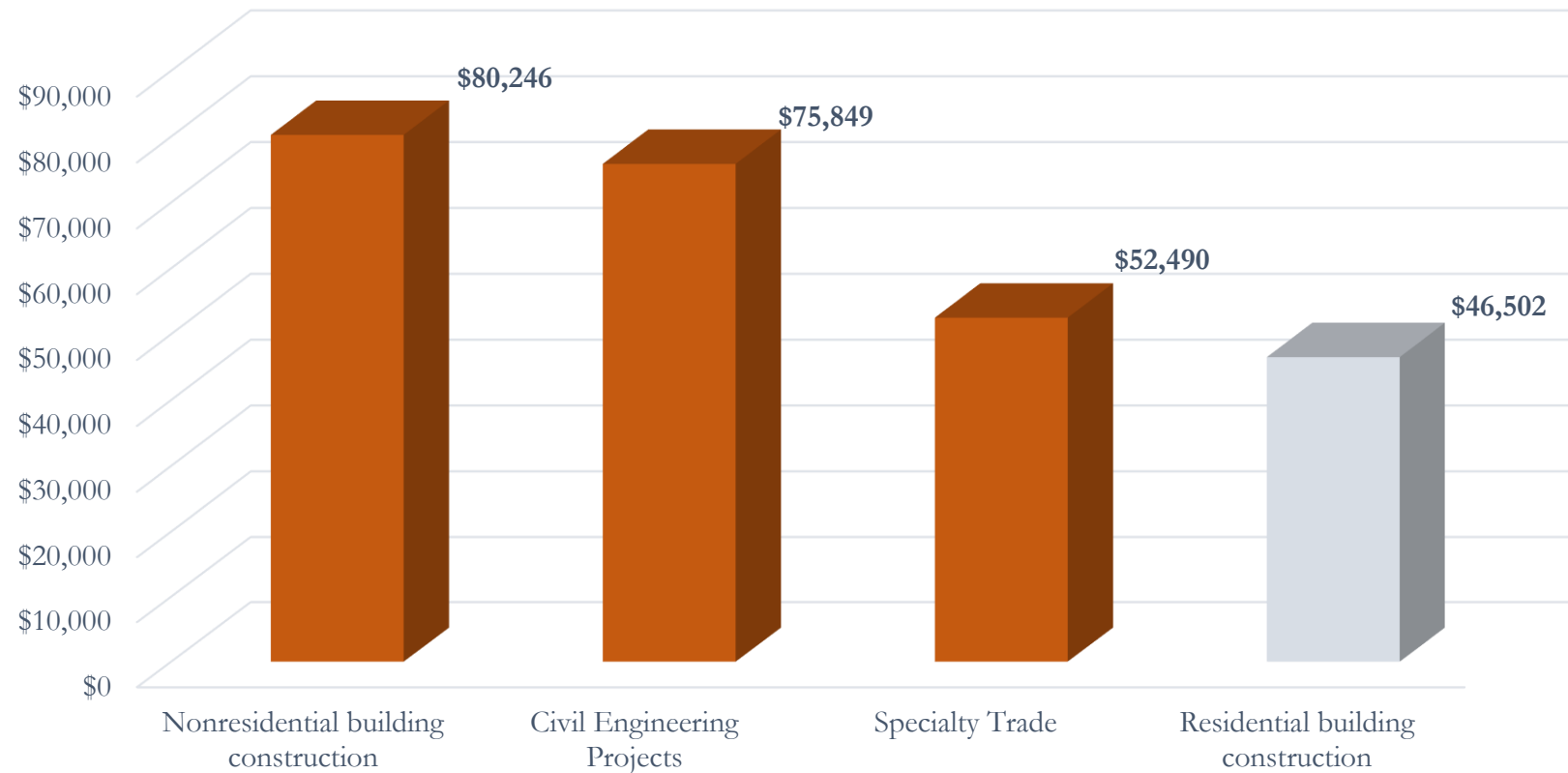
# Context – Rhode Island's Construction Industry

Our focus in the construction industry is *all but residential*

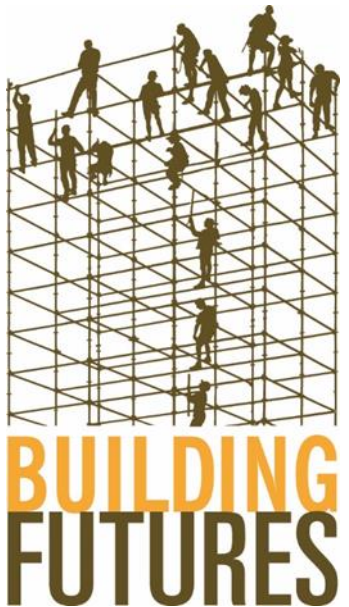


# Context – Construction Industry

High Skill = High Median Earnings in Rhode Island



Source: RI LMI. QCEW. Median Earnings. 2015.



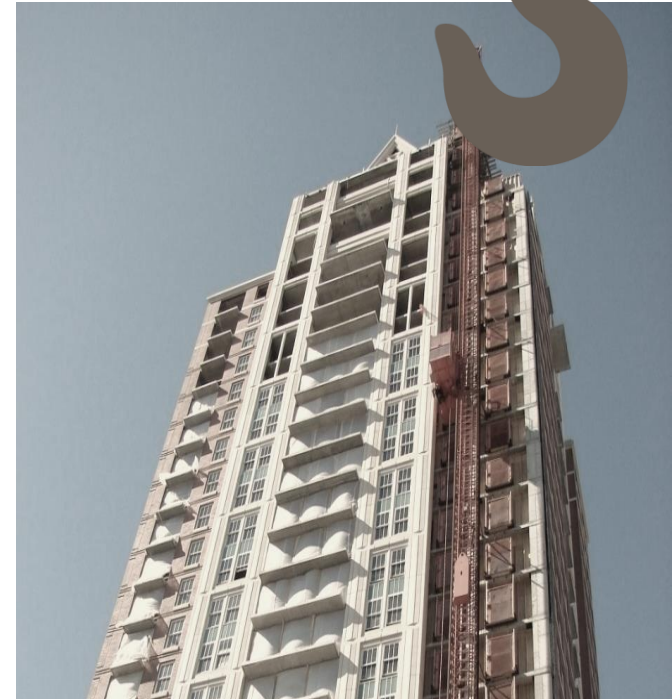
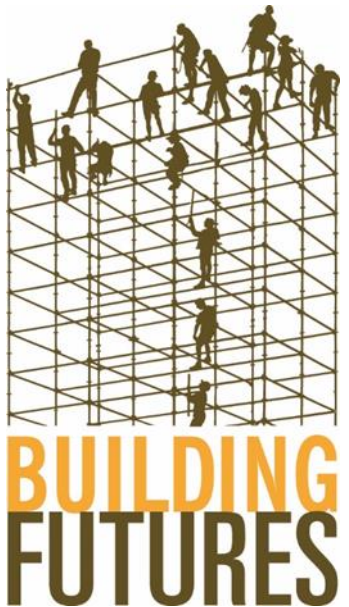


## Context - Construction Industry

Rhode Island demand for construction is growing...

**\$5 Billion –  
current & future projects in pipeline**

**\$3 Billion – with Building Futures’  
apprentice utilization agreements**

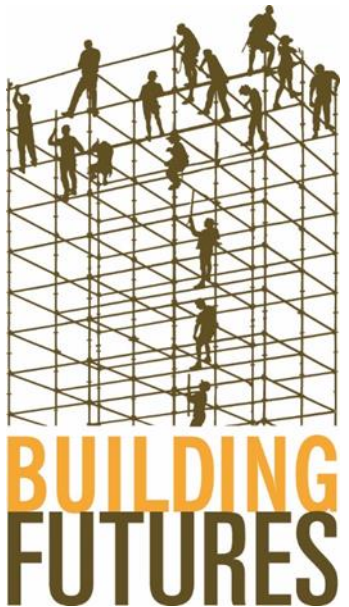
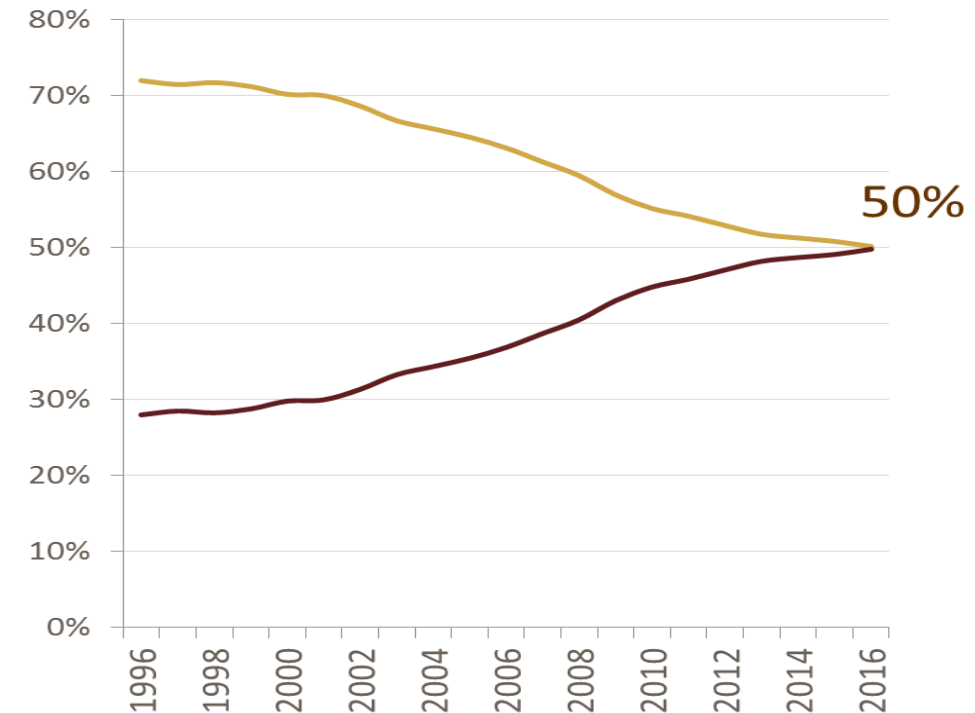


# Overview – Construction Industry Needs

The Construction Industry faces unprecedented challenges. In Rhode Island, we risk being undermined and less competitive, due to three major factors.

1. Growing Demand
2. Shrinking Supply
3. Fewer qualified applicants/replacements  
- a growing skills gap:
  - Smaller applicant pool.
  - Building trade careers' face image problems.
  - Skilled workers require 3 to 5 years of training.

**Only half the construction workforce is under age 45.**





# Identified Need 1 – Increase Construction Apprenticeship Utilization

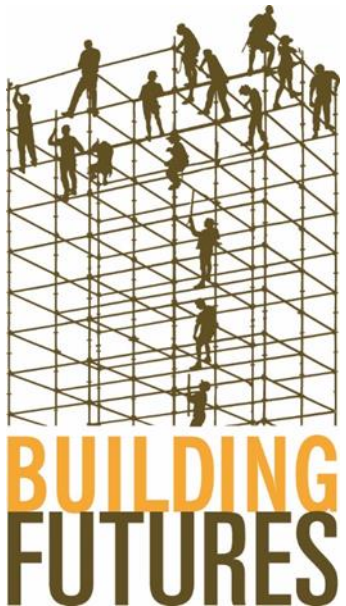
Registered Apprenticeship is the most effective vehicle for training – but current apprenticeship utilization is not meeting the demand for skilled trades workers.

Occupation	Apprentice Completions <sup>1</sup>	Projected Annual Openings <sup>2</sup>
Plumber, Pipefitter	47	60
Laborer	10	107
Electrician	39	85
Carpenter	6	90
Iron Worker	5	5
Bricklayer	4	14
Operating Engineer	2	26
<b>Grand Total</b>	<b>112</b>	<b>387</b>
	(Supply)	(Demand)

Source:

<sup>1</sup> RIDLT OA: 2016 Apprentice completions

RI LMI Annual openings by occupation



## Identified Need 2 – Close Skill Gap & Increase Diversity

Registered Apprenticeship is the most effective vehicle to train the next generation of skilled workers – but we need to close the skill gap and increase diversity.

**Skill Gap – Apprenticeship Programs identify that applicants often lack:**

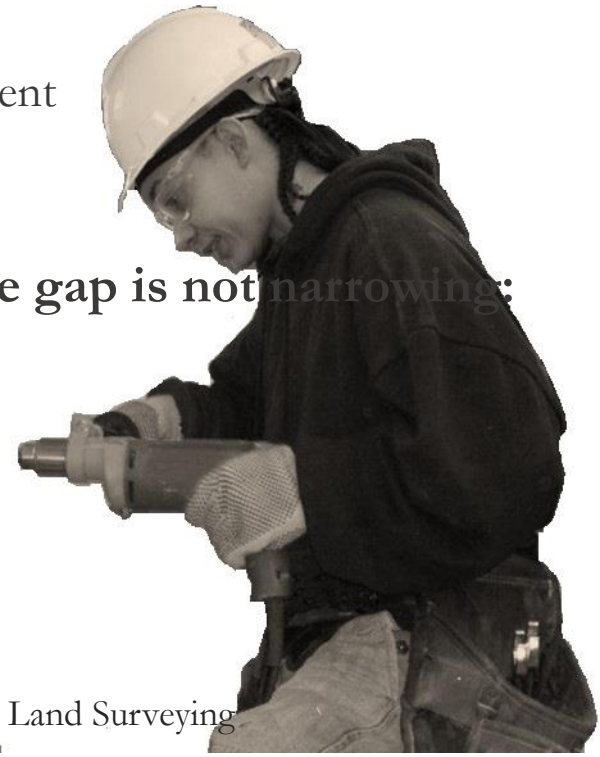
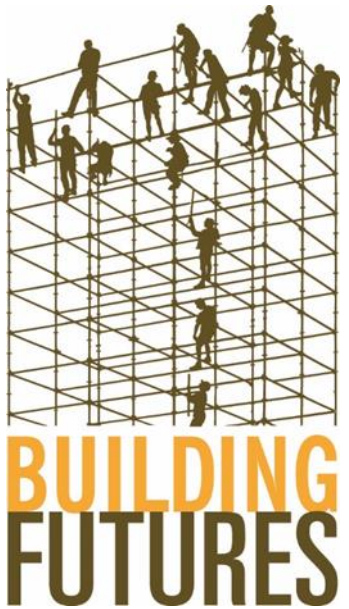
- Basic math and reading skills
- Punctuality
- Responsibility
- Social Supports
- Initiative
- Workplace judgement

**Diversity – Minorities and women are underrepresented and the gap is not narrowing:**

- Minorities are 11% of the RI construction workforce
- Women are only 3% of the construction trade workers

**WE CAN AND MUST DO BETTER!**

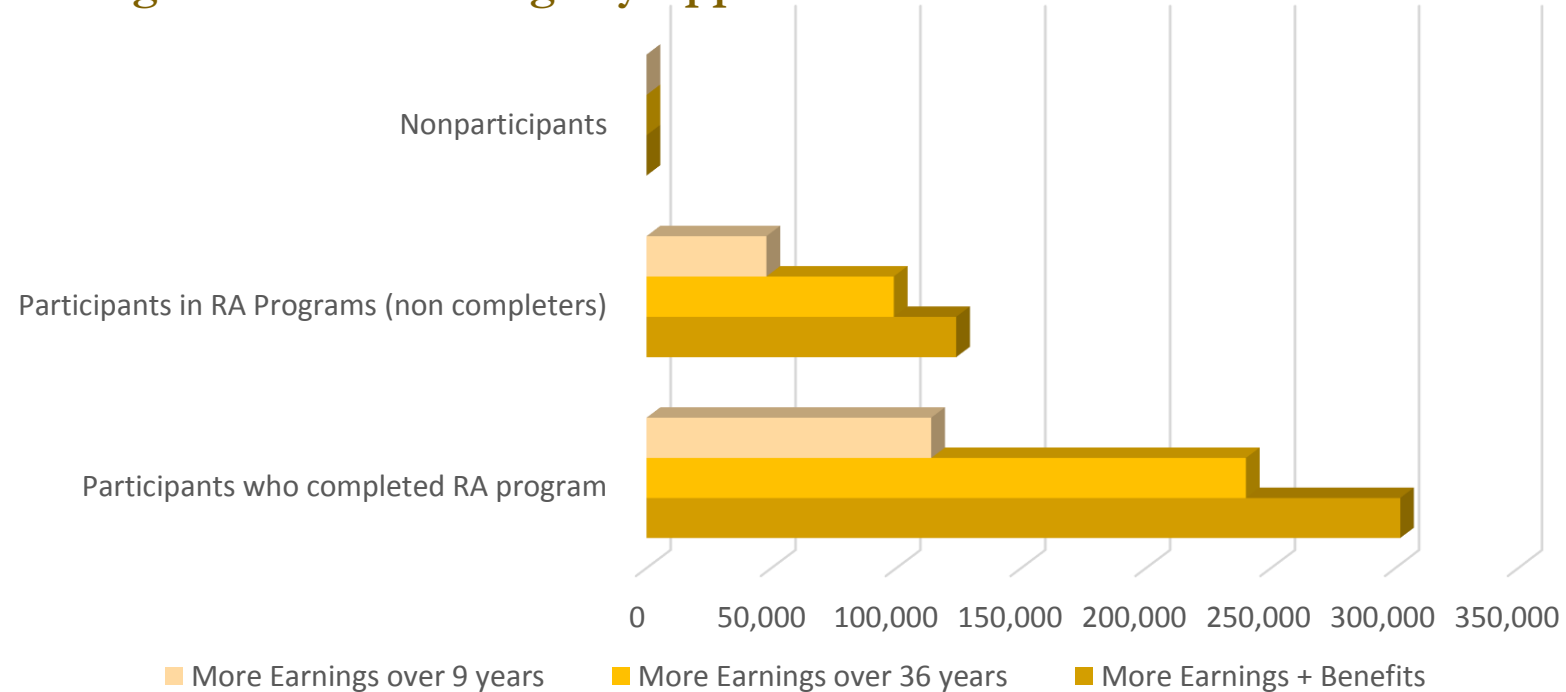
Source: Quarterly Workforce Indicators RI: Q3 2014-Q2 2015. Excludes Residential Buildings and Land Surveying



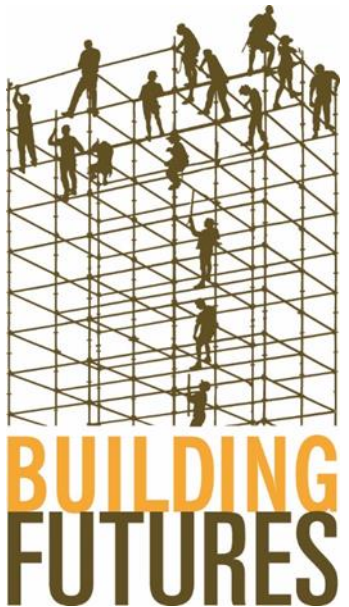
## Identified Need 3 – Expand available Apprenticeships

Registered Apprenticeship is the most effective vehicle to train the next generation of skilled workers – but most programs are in construction occupations.

### Average Gains in Earnings by Apprentices



Over a career, Apprenticeship completers see an earnings gain of over \$300,000



# Priority Focus – Solutions for Identified Needs

Building Futures' organizational and strategic focus is based on the needs identified. To summarize, we will implement solutions to:

## 1. Increase Apprentice Utilization

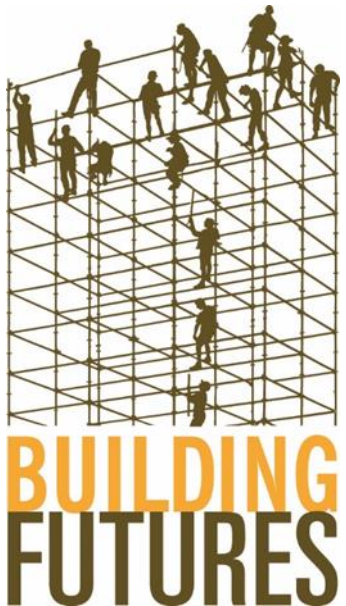
- Apprenticeship programs exist for all construction trades occupations, but not enough apprentices are in training now to meet industry demand.

## 2. Build Prepared & Diverse Supply

- Our pre-apprenticeship training closes the skill gap in applicants, but there are still not enough minorities and women entering construction.

## 3. Expand Apprenticeship

- Registered Apprenticeship is highly effective and evidence shows it. However, the model is underutilized (or unknown) outside of construction.





# Solution 1 – Apprentice Utilization Program

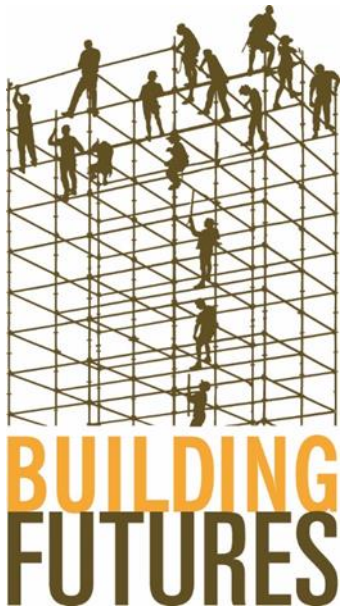
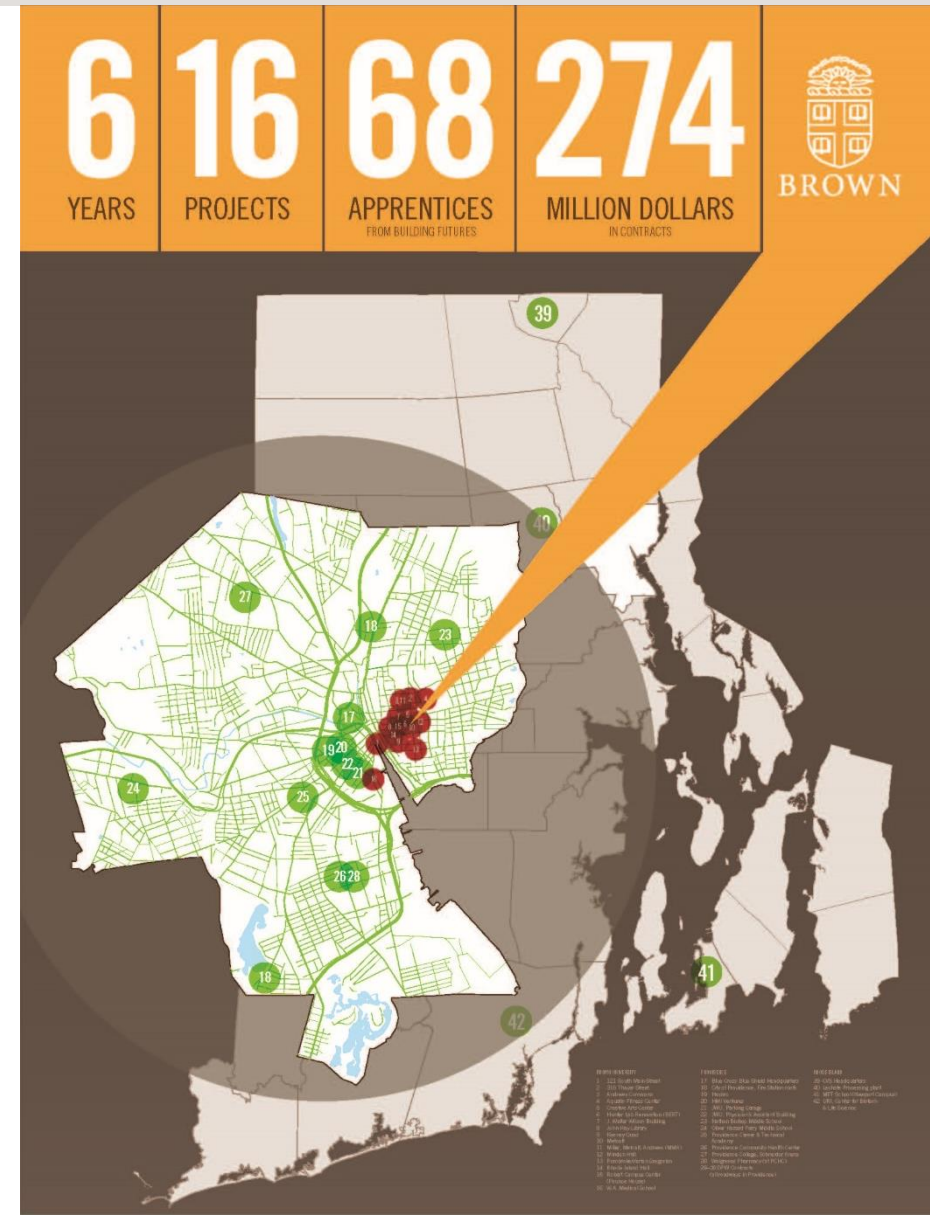
Building Futures' Apprentice Utilization Program establishes a system to ensure 15% apprentice hours

Example: 16 projects at Brown University began 68 new careers over 6 years.

Every project: quarterly onsite meetings and up to 30 separate contractor reports per month to review.

To date: 80 projects have had apprentice utilization program – we have placed 220 individuals.

**AUP works – but AUP VOLUME**  
has grown faster than our capacity.



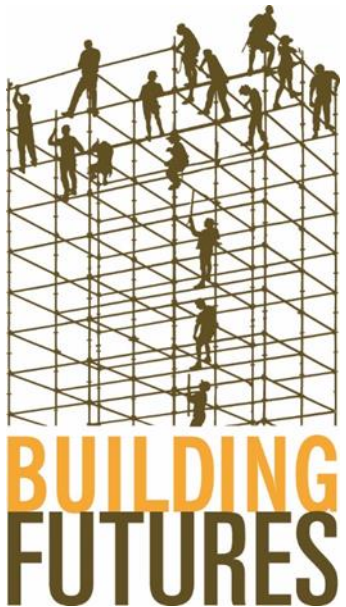
# Solution 1 – Apprentice Utilization Program

We anticipate over \$3 Billion in projects having our Apprentice Utilization Program in place in the coming years

RI's construction market is rebounding – so our labor shortage is getting worse. AUP puts new talent to work

For the construction sector of RI, and residents seeking construction careers – we must increase our AUP capacity...

**QUICKLY**



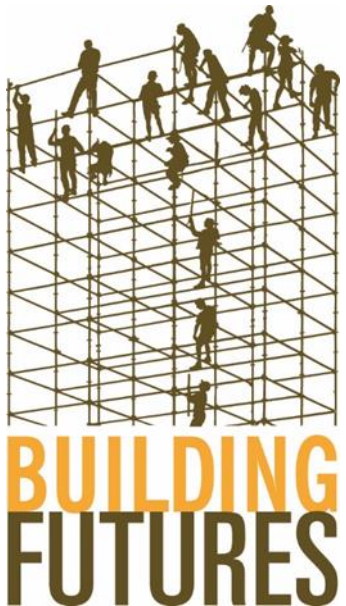
## Solution 2 – Pre-Apprenticeship Training

Our training program is based on experience addressing challenges that face low-income residents; we have a comprehensive program model to ensure success.

### **Pre-apprenticeship Key Program Components:**

- Service Assessment – find/address barriers and provide resources.
- Hands-On Evaluation – 32 hour assessment is mandatory to continue.
- Relevant Coursework – develop skills for 1<sup>st</sup> year apprenticeship ‘survival’.
- 200 hours of training – prepare students through theory and practice.
- Career Matching – explore, guide and facilitate placements.
- Elective Trainings - provide welding certifications, financial management programs, and more.
- Supportive services – ensure stability during the program and after.

**Our pre-apprenticeship program is effective – 96% of graduates are retained!**



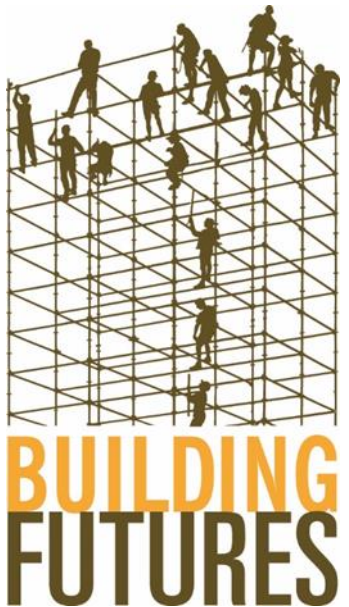


## Solution 2 – Pre-Apprenticeship Training

Our pre-apprenticeship program works well for low-income males – 80% of our graduates are not white.

However...we need to expand:

- Training Cycles
- Class size
- Number of women





# From Sector to Model – Apprenticeship Rhode Island

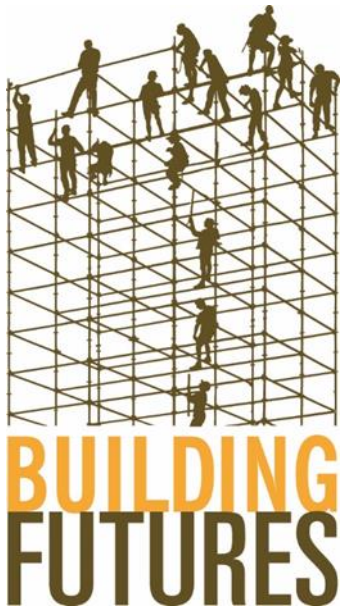
Our pre-apprenticeship and apprentice utilization program together provide an effective system for workforce development in RI's construction sector.

**This is possible because we leverage Registered Apprenticeship.**

While other sectors have similar needs, they lack the formal system of Apprenticeship to develop occupational skills during employment.

In partnership with RI DLT, we competed successfully for American Apprenticeship Initiative funds to change this.

Focusing on four high-growth sectors of RI's economy, we launched...



## Solution 3 – Expand Apprenticeship

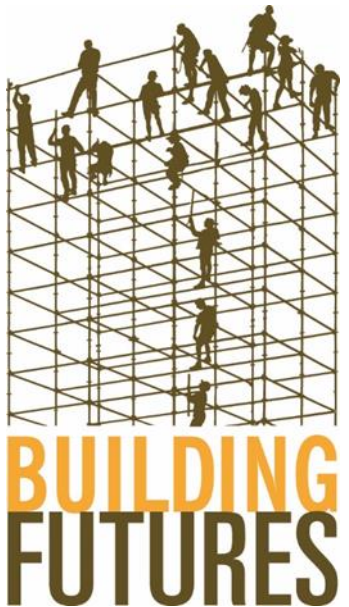
Apprenticeship Rhode Island is creating genuine career paths – over 1,200 RI residents will gain employment and post-secondary education through this initiative by 2020.

Initial partners:



**It works.**

In a recent US Commerce study, companies were unanimous in their support of apprenticeship – Siemens USA measured at least a **50% return on investment**.

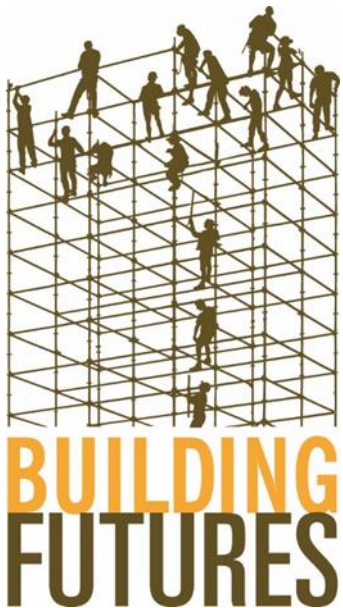


# Mission and Priorities – Actions and Metrics

## Our Mission:

To meet employer and industry need for skilled workers through the Registered Apprenticeship system, while creating family-sustaining career opportunities for low-income diverse residents.

Strategic Priorities	Action Items	Metrics
1. Increase Apprentice Utilization	<b>1a.</b> Build staff capacity for construction sector Apprentice Utilization Program. <b>1b.</b> Cross-train existing staff in AUP data reporting and project tracking.	<b>1c.</b> PT Staff hired to lead AUP and liaise with Contractors/RA program <b>1d.</b> Increased # of projects and employers participating in AUP.
2. Build Talent Supply	<b>2a.</b> Redesign and implement pre-apprenticeship training(s) in 2017 cycles <b>2b.</b> Women's programming designed and implemented	<b>2c.</b> Increase # of people and trainings in construction pre-apprenticeship <b>2d.</b> Increase # of women entering construction apprenticeships
3. Expand Apprenticeship	<b>3a.</b> Design, register and launch non-construction Apprenticeships <b>3b.</b> Increase access to diverse populations in occupations with new apprenticeships.	<b>3c.</b> Increased # of non-construction Apprenticeships operational. <b>3d.</b> Increased # of pre-apprenticeships aligned with new RA programs.



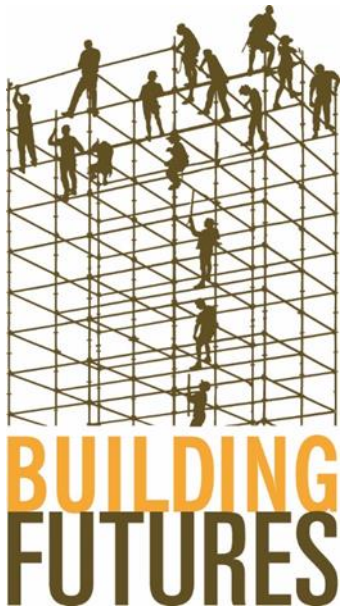
# Resources & Funding

Alignment and braiding of resources maximizing impact for all. Apprenticeship allows public workforce dollars (WIA) to leverage private sector investment (\$1 : \$27).

**Potential Public \$:** US DOE (Title IV) USDOL (WIOA) USDVA (GI Bill) USDA (SNAP E&T)

**Actual Private \$:** Millions of private dollars invested in RI construction Apprenticeships each year.

And Apprenticeship works for Real Jobs Partnerships...





# Resources & Funding

As we look to resource solutions to the three identified priorities, we anticipate Real Jobs funding to play a critical role in Building Futures' success.

## Investment Opportunities by Strategic Priority

### 1. Increase Apprentice Utilization

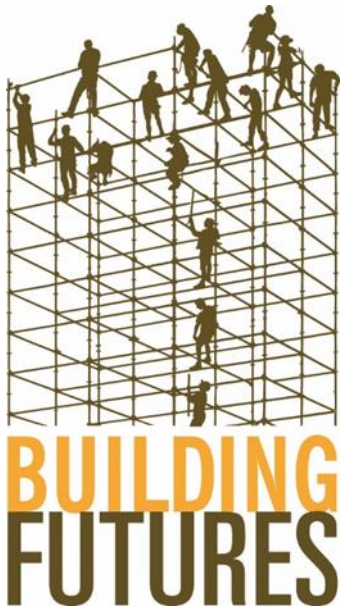
- Additional staff capacity – an AUP lead staff person and existing staff cross-training in AUP systems.

### 2. Build Prepared & Diverse Supply

- Redesign our pre-apprenticeship training to increase volume – develop women's only programing to increase female applicants.

### 3. Expand Apprenticeship

- Leveraging RA programs is essential – AAI grant resources currently fund RA program development, but not pre-apprenticeship.



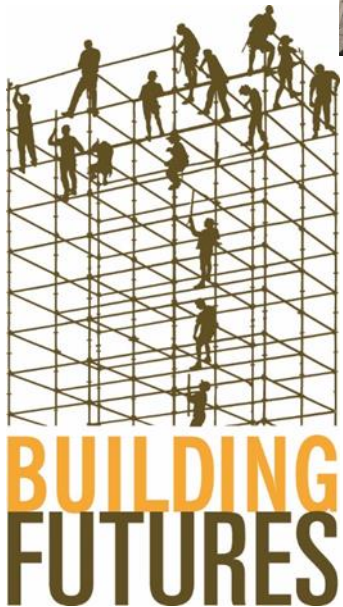
# Closing



For years, Building Futures focused on Apprenticeship as a construction-sector solution.

And we are good at it...

Our focus has now grown – from the sector to the model.



Because Apprenticeship is as good as we are...